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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Appl. No. : 09/514,946
Applicant : Richard FERNANDES
Filed : February 28, 2000
TC/A.U. : 3622
Examiner : Jeffrey D. Carlson

Docket No. : 2470-105
Customer No. : 06449
Confirmation No. : 8679

Danica Livers
#17/b
2.27.04

TRANSMITTAL OF APPEAL BRIEF

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Dear Sir:

Enclosed in connection with the above-referenced application is an Appeal Brief with Appendix in triplicate. A check is enclosed to cover the following fees: \$165.00 to cover the fee for filing a brief in support of a notice of appeal.

Also, please charge any additional fees or credit any overpayment to Deposit Account No. 02-2135. A duplicate copy of this sheet is enclosed.

Respectfully submitted,

ROTHWELL, FIGG, ERNST & MANBECK, p.c.

By

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2470-105



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of

Richard FERNANDES

Serial No. 09/514,946

Filed: February 28, 2000

For: COMPUTER-IMPLEMENTED
APPARATUS AND METHOD
FOR GENERATING A
TAILORED PROMOTION

) **BEFORE THE BOARD OF PATENT**
) **APPEALS AND INTERFERENCES**

) Appeal No.:

) Examiner: Jeffrey D. Carlson

) Group Art Unit: 3622

) February 17, 2004
) (Tuesday After Holiday)

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BRIEF ON APPEAL

Assistant Commissioner for Patents
Washington, D.C. 20231

Dear Sir:

This is an appeal from the final rejection of claims 1, 3-10 and 22-25 of the above-identified application, which claims were finally rejected in the Office action dated July 14, 2003. A Notice of Appeal was timely filed on December 15, 2003.

REAL PARTY IN INTEREST

The real party in interest in this case is webloyalty.com of Norwalk, Connecticut.

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02/19/2004 SSITHB1 00000056 09514946
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RELATED APPEALS AND INTERFERENCES

There are no other appeals or interferences which will directly affect or be directly affected by or have a bearing on the Board's decision in the present appeal.

STATUS OF THE CLAIMS

✓ Claims 1, 3-10 and 22-25 are pending in the application. Claims 2 and 11-21 have been cancelled. Claims 1 and 22 are the independent claims on appeal. Claims 1, 3-10 and 22-25 stand rejected under 35 U.S.C. § 103(a). This appeal is directed to claims 1, 3-10 and 22-25.

STATUS OF AMENDMENTS

/ No proposed amendment after final rejection has been filed in this application.

SUMMARY OF THE INVENTION

✓ The present invention relates generally to the field of electronic commerce, and in particular to a method and apparatus for presenting to an individual consumer over a distributed communication network, such as the Internet, a promotion of particular goods and/or services that are tailored to the consumer's personal preferences as determined from

the consumer's on-line activity history as collected by the apparatus from various participating websites.

According to the invention, as shown in Fig. 3, an electronic commerce apparatus 300 is connected to a distributed communication network 303 (such as the Internet) to which a consumer client 309 and first and second websites 306 and 307 also are connected. The apparatus 300 includes a consumer information storage area 315, a database of subscribers 325 and a database of promotions 327. The consumer information storage area 315 includes a consumer ID storage field 316, a visited-website ID storage field 317, a website-pages-visited storage field 318, a products-reviewed storage area 319, and a purchases-made storage field 320.

According to the invention, various merchant websites 306, 307 would subscribe to a tailored promotion service provided by the electronic commerce apparatus 300. Additional participating non-subscriber websites may be compensated by the service for transmitting activity information for use in compiling consumer preference profiles. As shown in Figs. 2A-2D, each time a consumer visits a subscribing merchant website, the consumer's activity is tracked using a "cookie" sent to the consumer's computer, and cookie information also is sent to the website. The tracked consumer activity is sent by the subscribing websites to the apparatus 300, where each consumer is given a unique ID, and the consumer's on-line activity at subscribing websites is stored in the consumer information storage area 315. The subscriber database 325 contains information pertaining to the various merchant websites.

subscribing to the tailored promotion service, and the promotions database 327 contains information pertaining to various products and/or services offered by subscriber merchants.

In operation, when a consumer accesses a subscribing merchant's website, the website retrieves a stored cookie from the consumer's computer and sends the consumer's ID to the apparatus 300. The apparatus 300 looks up the consumer's stored activity information in the consumer identification storage area 315 to thereby develop a preference profile for the consumer, and generates a promotion for the requesting subscriber website tailored to the consumer's determined preferences, by retrieving available promotion information for the requesting website from the promotion database 327. The operation of one preferred embodiment of the invention is described at page 10, line 14 to page 12, line 7 of the specification.

For example, an Internet bookseller may be a subscriber to the apparatus. As a subscriber, the goods and/or services offered by the Internet bookseller are maintained by the apparatus 300 in database 327. When a potential customer requests access to the bookseller's website, the bookseller sends the potential customer's identification information to the apparatus 300. The apparatus then retrieves the potential customer's online activity history from the consumer storage database 315, and based on that history generates a tailored promotions of goods and/or services offered by the bookseller as determined from the promotions database 327. For example, where the potential customer's online activity indicates an interest in finance and investing, the apparatus may generate a promotion of books offered by the bookseller that pertain to the stock market and to personal financial

management. Where the potential customer's online activity might indicate an interest in travel, the apparatus might generate a promotion of books offered by the bookseller that pertain to travel guides or hotel information. The tailored promotion is then sent by the apparatus 300 to the requesting website, where it is presented to the accessing consumer.

ISSUES

This appeal presents the following issue for decision by the Board:

- 1) Whether claims 1, 3-10 and 22-25 are obvious over Gardenswartz et al, U.S. Patent No. 6,055,573 ("Gardenswartz") in view of Roth et al. , U.S. Patent No. 6,285,987 ("Roth") under 35 U.S.C. § 103 and are properly rejected on that basis; and
- 2) Whether claim 8 is alternatively obvious over Gardenswartz in view of Travis et al., U.S. Patent Application Publication No. 2002/0010668 ("Travis").

GROUPING OF CLAIMS

Claims 3, 4, 10 and 24 do not stand or fall together with claims 1, 3-10 and 22-25 in the omnibus rejection of those claims, but will be separately argued in the brief.

ARGUMENT

The Rejection of Claims 1, 3-10 and 22-25 Under 35 U.S.C. § 103 Is Improper

The rejection of claims 1, 3-10 and 22-25 under 35 U.S.C. § 103(a) as being unpatentable over Gardenswartz in view of Roth is improper and should be reversed. The

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final rejection alleges that Gardenswartz “discloses in the Background, using online activity of IP addresses visited and online purchases made to target ads. This is done using cookies and is based on passive consumer activity such as web surfing;” and that it would have been obvious to one of ordinary skill in the art to have implemented a centralized tracking system as described by Roth to the Gardenswartz system, “so that targeted ads can be selectively sent to the web site viewers of subscribing member web sites.”

Gardenswartz teaches the use of consumers’ offline purchase histories as sent to a database to send targeted advertisements to the consumers’ computers. In order for the Gardenswartz system to function, consumers must register with the system and obtain a customer ID (CID) such as a barcode that can be scanned when a consumer makes an offline purchase at a participating retail location (see stores 2, 4, 6, Fig. 1). Purchase information is sent to the database 8 by the retail locations and is associated with CID information.

A consumer registers with the system online using her computer, such that a cookie is placed on the consumer’s computer associating the computer with the assigned CID. Thus, when the consumer accesses a web site served by a participating advertiser’s server, the web site sends the cookie information received from the consumer’s computer to the advertiser server. The advertiser server then associates the cookie with a stored CID and sends a targeted advertisement to the web site in accordance with the offline purchase activity stored in the database.

Gardenswartz fails to disclose a method for providing tailored promotions to a consumer wherein consumer identifier information is associated with consumer activity regarding network site activity, e.g., web site access and web page viewing. There is no online interactivity at all in Gardenswartz. While Gardenswartz mentions use of online activity in the Background of the Invention, Gardenswartz teaches that use of such activity is disadvantageous. See col. 2, ll. 43-48. Thus, those skilled in the art presented with the Gardenswartz reference would be led away from using such online activity. Roth merely discloses a bidding system for placing advertisers' ads in web pages being viewed by a user.

The final rejection is improper because it fails to consider the Gardenswartz prior art reference as a whole for what it suggests to those of ordinary skill in the art, but instead selectively picks and chooses from Gardenswartz only those portions needed to reconstruct the present claimed invention. It is well-established that a prior art reference must be considered as a whole, and portions arguing against or teaching away from the claimed invention must be considered. Bausch & Lomb, Inc. v. Barnes-Hind/Hydrocurve, Inc., 796 F.2d 443, 230 USPQ 416 (Fed. Cir. 1986). A prior art reference may be said to teach away when a person of ordinary skill, upon reading the reference, would be discouraged from following the path set out in the reference, or would be led in a direction divergent from the path that was taken by the applicant. In re Gurley, 27 F.3d 551, 31 USPQ2d 1130 (Fed. Cir. 1994).

Thus, it is incorrect to state that Gardenswartz "teaches" in the Background of the Invention the use of online activity to develop targeted ads, when the rejection is based on a

combination of Gardenswartz with additional prior art. While the concept of “teaching away” may not apply to anticipation rejections under 35 U.S.C. § 102, Celeritas Techs., Ltd. v. Rockwell, 150 F.3d 1354, 47 USPQ2d 1516 (Fed. Cir. 1998), when a rejection is based on a proposed combination of prior art under an obviousness theory, the entire disclosure of the prior art must be considered as a whole for what it suggests, and what it discourages to those of ordinary skill in the art. In re Haruna, 249 F.3d 1327, 58 USPQ2d 1517 (Fed. Cir. 2001). Here, Gardenswartz clearly teaches away from the claimed invention such that no one of ordinary skill in the art having read Gardenswartz would have been led to make the combination proposed in the Office action.

Significantly, Gardenswartz fails to disclose any system or method whereby an apparatus “receives from a particular subscriber network site consumer identifier information associated with a consumer requesting access to that subscriber network site, uses said stored activity information in conjunction with said goods and/or services promotion data in said database to create a tailored promotion of goods and/or services offered by said particular subscriber network site in response to said received consumer identifier information, and transmits said tailored promotion to said particular subscriber network site for presentation to said consumer” as set forth in claim 1. Gardenswartz simply discloses sending to an online consumer’s computer a targeted advertisement based on the consumer’s offline purchase history. The targeted advertisement is wholly unrelated to any website to which the consumer may be viewing or requesting access.

In apparent recognition of the fact that Gardenswartz fails to disclose any system or method where there are subscribers to a tailored promotion-generating apparatus, the final rejection construes the term "subscriber" as meaning one who expresses concurrence or assent, as to a belief or notion. This interpretation of the term "subscriber" as used in the claims is improper as explained below; however, even if it were not, the requirements of the claims would still not be met by the proposed combination of references. In particular, neither Gardenswartz nor Roth teach or suggest the use of stored online activity information in conjunction with goods and/or services promotion data in a database to create a tailored promotion of goods and/or services offered by a particular subscriber network site that sent to the apparatus consumer identifier information associated with a consumer requesting access to that subscriber network site. The final rejection never comes to terms with this specific claim language and fails to explain where such feature is disclosed or suggested by the applied prior art.

The final rejection's construction of the term "subscriber" as meaning an adherent to a belief or notion is improper because such construction does not comply with the standard of claim interpretation that must be used during examination, i.e. the broadest reasonable interpretation consistent with the specification. In particular, throughout the specification, the term "subscriber" is used in the context of one who receives a service from a service provider, as in a "telephone subscriber." Construing "subscriber" as one who expresses concurrence with or assent to a notion or belief is blatantly inconsistent with the specification as such construction makes no sense in the context of the description of the invention as

presented in the specification (or for that matter, as used in the claims), and is thus improper as a matter of law.

The Rejection of Claims 3, 4, 10 and 24 Under 35 U.S.C. § 103 Is Improper

Claim 3 requires a database of subscribers to the tailored promotion. Neither Gardenswartz nor Roth disclose such a database, and the final rejection has failed to even address this limitation. Consequently, the rejection of claim 3 is improper and should be reversed.

Claim 4 requires that a particular network site is a subscriber listed in the database of subscribers to the tailored promotion. Neither Gardenswartz nor Roth disclose such a feature, and the final rejection has failed to even address this limitation. Consequently, the rejection of claim 4 is improper and should be reversed.

Claim 10 requires that the apparatus receive activity information from a consumer's computer upon a visit by the consumer to a first network site. Neither Gardenswartz nor Roth disclose such a feature, and the final rejection has failed to even address this limitation. Consequently, the rejection of claim 10 is improper and should be reversed.

Claim 24 requires that the plurality of network sites providing consumer activity information include non-subscriber network sites. Neither Gardenswartz nor Roth disclose such a feature, and the final rejection has failed to even address this limitation. Consequently, the rejection of claim 24 is improper and should be reversed.

**The Rejection of Claim 8 Under 35 U.S.C. § 103
Is Improper**

Claim 8 depends from claim 1 and includes all of the limitations thereof. The final rejection asserts that claim 8 would have been obvious from a combination of Gardenswartz with Travis. This ground of rejection is equally improper as the rejection of claim 1, because it requires a modification of Gardenswartz that is directly countermanded by the teaching of the Gardenswartz reference as a whole. Travis does not change this fact. Travis relates to a system for allowing groups of retailers to provide to a consumer a comprehensive or commonly themed shopping experience including product components from different vendors. Travis is simply irrelevant to the present invention as claimed and further is irrelevant to the Gardenswartz disclosure.

The Claims Set Forth a Specific Relationship Between Advertisers, Websites and Products Offered

In adhering to the rejection of the claims, the Examiner has asserted that the website that displays the targeted advertising is considered to be a "subscriber" or "subscriber site" offering a targeted promotion. The Examiner further asserts that there is no requirement in the claims regarding the particular relationship between advertisers, website and products offered in the promotions. These assertions are incorrect.

Claim 1 sets forth that the apparatus is for generating a tailored promotion of goods and/or services offered by a subscriber to said apparatus (i.e., the goods and/or services in

the promotion are goods and/or services offered by the subscriber), for presentation by said subscriber to a consumer over a communication network. Claim 22 sets forth a method that presents to a consumer over a communication network a promotion tailored to the consumer's personal preferences of particular goods and/or services offered by a subscriber having a site on the network. To the contrary, neither Gardenswartz nor Roth disclose the use of a tailored promotion apparatus or method for presenting a tailored promotion of goods and/or services offered by a subscriber to a consumer who is accessing the subscriber's website.

Further, claim 1 requires that the electronic commerce apparatus have a database of goods and/or service promotion data pertaining to goods and/or services offered by subscribers to said apparatus, wherein the apparatus receives from a particular subscriber network site consumer identifier information associated with a consumer requesting access to that subscriber network site, uses the stored activity information in response to the received identifier information and in conjunction with the promotion data in the database to create a tailored promotion of goods and/or services offered by said particular subscriber network site, and transmits the tailored promotion to the particular subscriber network site for presentation to the consumer. Claim 22 recites analogous method steps.

Thus, according to the invention as disclosed and claimed, subscribing network sites (i.e. those sites for which tailored promotions are created and transmitted, wherein the tailored promotions relate to goods and/or services offered by the subscribers) send to the apparatus consumer identifier information of consumers requesting network site access. The

apparatus then creates a tailored promotion by retrieving consumer activity information associated with the transmitted consumer identifier information and selecting a promotion of goods and/or services offered by the requesting subscriber network site from a promotions database in accordance with the retrieved activity information.

As explained in the specification at pages 8 and 9, according to the claimed invention a subscriber network site thus may use the electronic commerce apparatus of the invention to generate and present promotions to visitors of the subscriber's website, of goods and/or services offered by the subscriber's website tailored to the preferences of the visitor as a direct method of increasing sales. The present invention as claimed reflects the disclosure.

CONCLUSION

In view of the foregoing, claims 1, 3-10 and 22-25 are submitted to be directed to a new and unobvious method and system for offering promotional awards to visitors of electronic commerce sites, which is not taught or suggested by the prior art. The Honorable Board is respectfully requested to reverse all grounds of rejection and to direct the passage of this application to issue.

Please charge any fee or credit any overpayment pursuant to 37 CFR 1.16 or 1.17 to Deposit Account No. 02-2135.

Respectfully submitted,
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APPENDIX OF CLAIMS ON APPEAL

1. A computer-implemented electronic commerce apparatus for generating a tailored promotion of goods and/or services offered by a subscriber to said apparatus based on personal consumer preferences for presentation by said subscriber to a consumer over a distributed communication network, comprising:

a connection to said distributed communication network;

a database of goods and/or service promotion data pertaining to goods and/or services offered by subscribers to said apparatus; and

a consumer information storage, said consumer information storage including a consumer identifier storage for storing consumer identifier information identifying individual consumers, and including for each stored consumer identifier activity information pertaining to network sites accessed by said individual consumers and associated with individual consumers;

wherein said electronic commerce apparatus receives said activity information, stores said activity information in said consumer information storage by individual consumer, receives from a particular subscriber network site consumer identifier information associated with a consumer requesting access to that subscriber network site, uses said stored activity information in conjunction with said goods and/or services promotion data in said database to create a tailored promotion of goods and/or services offered by said particular subscriber network site in response to said received consumer identifier information, and transmits said tailored promotion to said particular subscriber network site for presentation to said consumer.

3. The computer-implemented electronic commerce apparatus of claim 1, further including a database of subscribers to said tailored promotion.
4. The computer-implemented electronic commerce apparatus of claim 3, wherein said particular network site is a subscriber and is listed in said database of subscribers.
5. The computer-implemented electronic commerce apparatus of claim 1, wherein said distributed communication network is the Internet.
6. The computer-implemented electronic commerce apparatus of claim 1, wherein said activity information is obtained from a cookie file stored on said consumer's computer.
7. The computer-implemented electronic commerce apparatus of claim 1, wherein said activity information includes a pages visited information.
8. The computer-implemented electronic commerce apparatus of claim 1, wherein said activity information includes a products and services reviewed information.
9. The computer-implemented electronic commerce apparatus of claim 1, wherein said activity information includes a purchases made information.

10. The computer-implemented electronic commerce apparatus of claim 1, wherein said electronic commerce apparatus receives said activity information from a consumer's computer upon a visit by said consumer to a first network site.

22. A method for presenting to a consumer over a distributed communication network a promotion tailored to the consumer's personal preferences of particular goods and/or services offered by a subscriber having a site on said network, comprising the steps of:

- storing consumer identifier information uniquely identifying an individual consumer;

- receiving from a plurality of different network sites on said distributed communication network, consumer activity information associated with consumer identification information, said consumer activity information including network site identifier information identifying the network site transmitting the activity information, and information pertaining to goods and/or services offered by said network site that have been accessed and/or purchased by a consumer associated with said consumer identification information;

- storing said consumer activity information in association with stored consumer identification information;

- storing a database containing various promotions of goods and/or services offered by a plurality of subscriber network sites;

- receiving from a first subscriber network site consumer identifier information of a consumer requesting access to said first subscriber network site;

creating a tailored promotion of specific goods and/or services offered by said first subscriber network site to be presented to said requesting consumer in accordance with stored consumer activity information associated with the consumer identifier information received from said first subscriber network site; and

transmitting said tailored promotion to said first subscriber network site to be displayed to said requesting consumer over said distributed communication network.

23. The method of claim 22, wherein said consumer identifier information is stored as a cookie on a computer of the consumer identified by the consumer identifier information.

24. The method of claim 22, wherein said plurality of network sites providing consumer activity information include non-subscriber network sites.

25. The method of claim 22, wherein said distributed communication network comprises the Internet.